

Acute Hospital Financial Performance Trends

| Hospital | City/Town | County | Hospital Type | Fiscal Year End | Number of Months Data |
|----------------------------|----------------------|--------|--------------------------------------------|-----------------|-----------------------|
| North Shore Medical Center | Salem, MA & Lynn, MA | Essex | Community, Disproportionate Share Hospital | 09/30/15 | 12 |

| Financial Performance Indicators | FY11 | FY12 | FY13 | FY14 | FY15 | MA Industry Median FY15 | North East US Median FY14 |
|----------------------------------|----------------|---------------|----------------|----------------|----------------|-------------------------|---------------------------|
| PROFITABILITY | | | | | | | |
| Operating Margin | -3.4% | -1.8% | -4.9% | -5.2% | -8.4% | 3.0% | 2.2% |
| Non-Operating Margin | 0.1% | 0.0% | 0.1% | -0.2% | -0.2% | 0.1% | 0.1% |
| Total Margin | -3.3% | -1.8% | -4.9% | -5.3% | -8.6% | 3.7% | 3.1% |
| Operating Surplus (Loss) | (\$14,475,000) | (\$8,126,000) | (\$20,564,000) | (\$21,493,000) | (\$35,245,000) | -- | -- |
| Total Surplus (Loss) | (\$14,131,000) | (\$8,046,000) | (\$20,272,000) | (\$22,158,000) | (\$35,989,000) | -- | -- |

| | | | | | | | |
|-----------------------------|-----|-----|-----|-----|-----|-----|-----|
| LIQUIDITY | | | | | | | |
| Current Ratio | 1.4 | 1.4 | 1.6 | 2.0 | 2.2 | 1.6 | 1.6 |
| Days in Accounts Receivable | 35 | 34 | 33 | 34 | 34 | 38 | 49 |
| Average Payment Period | 72 | 79 | 86 | 88 | 88 | 58 | 64 |

| | | | | | | | |
|-----------------------------------|------|-------|-------|-------|-------|-------|-------|
| SOLVENCY/CAPITAL STRUCTURE | | | | | | | |
| Debt Service Coverage (Total) | 0.3 | 0.4 | 0.1 | 0.1 | 0.0 | 5.7 | 4.4 |
| Cash Flow to Total Debt | 2.3% | 4.0% | -0.7% | -1.2% | -3.4% | 20.5% | 12.4% |
| Equity Financing | 7.0% | -3.7% | -2.5% | 4.0% | 0.4% | 47.4% | 46.6% |

| | | | | | | | |
|-----------------------------|---------------|----------------|---------------|---------------|---------------|----|----|
| OTHER | | | | | | | |
| Total Net Assets | \$20,571,000 | (\$11,743,000) | (\$9,116,000) | \$18,155,000 | \$2,048,000 | -- | -- |
| Assets Whose Use is Limited | \$1,030,000 | \$1,062,000 | \$1,101,000 | \$912,000 | \$920,000 | -- | -- |
| Net Patient Service Revenue | \$413,966,000 | \$435,831,000 | \$402,228,000 | \$398,144,000 | \$406,663,000 | -- | -- |

For descriptions of the metrics, please see the Massachusetts Hospital Financial Performance Technical Appendix